



NEW YORK STATE SENATOR

Thomas F. O'Mara

O'Mara: Senate budget stays focused on tax relief and job creation; rejects closure of Monterey Shock and prohibits use of taxpayer dollars for college for inmates

THOMAS F. O'MARA March 14, 2014

| ISSUE: **BUDGET**



Albany, N.Y., March 14—State Senator Tom O'Mara (R-C, Big Flats), who served on the Senate's budget subcommittee on economic development and taxes, said that the Senate's one-house Budget Resolution, approved early this morning, includes job-creating tax cuts and regulatory reforms, while keeping a strict lid on state government spending.

"The Senate budget renews and revitalizes New York's commitment to long-term fiscal responsibility, tax relief and private-sector economic growth," said O'Mara. "The core proposals underpinning this fiscal strategy remain true to getting state and local taxpayers

out from under America's highest tax burden, creating more cost-effective government across the board, and encouraging sustained private-sector job growth."

The enactment of the Senate's and Assembly's respective 2014-15 Budget Resolutions this week sets the stage for final negotiations with Governor Andrew Cuomo on enacting the final 2014-15 state budget by the start of New York's next fiscal year on April 1.

Among the highlights of the Senate budget plan is a [rejection of the Cuomo administration's plan to close the Monterey Shock Incarceration Correctional Facility in Schuyler County](#) later this year. At a protest rally in Albany earlier this week, O'Mara told local Monterey Shock supporters who traveled by bus to the Capitol from the Southern Tier that the Senate's budget would include language to keep Monterey open. The Senate restores state funding for the "full and continued operation" of Monterey and three other state correctional facilities slated for closure.

"We are saying no to Governor Cuomo's plan to close Monterey Shock. It makes no fiscal sense, it's kicking local workers out of their jobs and it's putting our local communities and property taxpayers at risk," said O'Mara.

According to O'Mara, the Senate budget also provides \$10 million in capital funding for the Frederick L. Warder Academy of Fire Sciences in Montour Falls and prohibits the use of state funding to relocate the Academy to the New York State Preparedness Center in Oriskany, New York – a move that O'Mara and other local and regional leaders fear the administration is contemplating. At a budget hearing in February, [O'Mara questioned top Cuomo administration](#) officials from the Division of Homeland Security and Emergency Services (DHSES) on the administration's plans for the future of the Montour Falls Fire Academy.

"The Senate wants to make it perfectly clear to Governor Cuomo and his administration that we are and will remain strongly opposed to any efforts to relocate the Academy of Fire Sciences in Montour Falls," said O'Mara. "The Academy remains vital to Schuyler County and surrounding communities. It continues to make irreplaceable contributions to New York State's firefighting community and the community at large."

The Senate budget also includes language to "prohibit the use of any state funds" for providing a college education to state prison inmates, a proposal recently floated by Cuomo that has drawn [strong opposition from O'Mara](#) and many other state legislators.

O'Mara said that the Senate's budget plan further advances tax cuts and additional actions that he and other upstate New York senators believe are central to reviving the upstate economy. In particular, the plan includes the following three areas of [tax relief that O'Mara has been pushing over the past few years](#):

- elimination of the corporate income tax for manufacturers across the Southern Tier and Finger Lakes regions, and statewide;
- a 20-percent real property tax credit for manufacturers; and
- the **accelerated elimination of the higher 18-a utility surcharge** first imposed on New Yorkers in 2009, a state-imposed cost that hits farmers, manufacturers and senior citizens facing high energy expenses especially hard. As first proposed by the governor in January, the higher assessment would be eliminated for industrial customers this year, followed by an accelerated phase-out for all other impacted energy users.

"We have to do better. We have to send a stronger message that New York's serious about economic growth and job creation. We need tax cuts that build on the efforts of the past three years to turn around the upstate economy, strengthen manufacturing, create good jobs and begin to revitalize upstate regions like our own," O'Mara said, adding that New York still suffers from the dubious distinction of having the worst business tax climate in the nation. "The Senate budget would help produce a business climate that invites private-sector job growth, welcomes businesses and industries, and keeps moving toward long-term economic security for workers and their families."

The Senate also rejects Cuomo's proposed property tax freeze plan, which has come under fire as unworkable by county legislatures and leaders locally and statewide. The Senate, instead, proposes a new "Freeze Plus NY" program to make property tax relief permanent by supplanting the property tax levy with direct state aid to municipalities that adhere to the two-percent property tax cap. The "Freeze Plus NY" program will provide \$1.4 billion in additional property tax relief over the next two years.

Other highlights of the Senate budget include:

- a **"Jobs for Heroes" program, which O'Mara co-sponsors in the Senate**, to establish a five-percent state contract set-aside program for small businesses in New York owned by service-connected disabled veterans. The legislation mirrors a successful federal contract set-aside program for service-connected disabled vets. Similar set-aside programs have been created in nearly 40 other states. One in seven veterans are self-employed or small business owners. New York has the fourth-highest number of veteran-owned businesses – trailing only California, Texas and Florida.

"Last year I was proud to help sponsor and fight for the Hire-a-Vet tax credit, which we hope will make a difference for returning veterans coming home to a state where it's tough to find a job," said O'Mara. "Now we have a real opportunity to build on last year's success and, this

year, enact the 'Jobs for Heroes Program' to more fully assist our disabled veterans who are self-employed or operate a small business. It's another investment in the future of our veterans and serves to help honor their service and sacrifice."

-- the recently proposed "Young Farmers NY" plan, also co-sponsored by O'Mara, to encourage younger men and women who want to pursue careers in farming. The plan proposes a comprehensive legislative program blending tax incentives, low-interest loans and grants, a new student loan forgiveness program and other educational initiatives to help existing young farmers stay on the land and encourage more young people to consider careers in agriculture;

-- an overall increase of \$811.9 million in aid to public schools, restoring \$541 million of the Gap Elimination Adjustment (GEA) and, further, proposing to phase-out the GEA in the 2016-17 school year; and

-- increasing community college base aid by \$28 million.

Overall, O'Mara said the Senate budget embraces many of the key priorities necessary to exert long-term control over future state spending, including the enactment of a two-percent cap on state spending growth. For the fourth straight year, the budget plan essentially keeps a lid on year-to-year state spending growth, keeping it under two-percent this year, and calls for an ongoing realignment, streamlining and overhaul of the state bureaucracy.

The Legislature will now convene public conference committees to settle legislative differences on this year's budget and reach agreements with Cuomo on a final budget.

O'Mara has been appointed to the Transportation Budget Conference Committee, and as an alternate on the Economic Development Budget Conference Committee.

O'Mara said that the upcoming conference committees can be watched live on the following Senate website: http://www.nysenate.gov/live_today